

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

RECEIVED
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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY
Docket No. R97-1

POSTAL RATE AND FEE CHANGES, 1997

NOTICE OF UNITED STATES POSTAL SERVICE CONCERNING STATUS OF COMPLIANCE WITH ORDER NO. 1203 (December 17, 1997)

The United States Postal Service is currently working to comply with Order No. 1203.¹ This involves rerunning certain base year costs and rollforward projections, as well as recalculating unit costs for various worksharing rate categories. The endeavor will require, at minimum, the efforts of fourteen Postal Service and contractor analysts. Some personnel are located at Headquarters; some are not in the D.C. area. Information among the analysts must be exchanged. Questions concerning judgments and assumptions will have to be discussed and resolved. The Postal Service mainframe computer will be used, and other postal sites will be involved in preparing a CD-ROM for base year and test year files. The effort is further complicated by the fact that many activities must occur in sequence. In other words, base year costs cannot be run prior to derivation of certain inputs, rollforward projections cannot be run prior to running base year costs, etc. This means that if there is any problem or unexpected delay in one of the sequential activities, subsequent activities necessarily will be affected.

¹ Order Accepting Certification and Denying Postal Service Motion to Partially Reconsider Presiding Officer's Ruling No. R97-1/61, December 9, 1997.

Given the potential for normal rate case occurrences such as computer problems and calculation revisions, as well as the potential for people issues such as illnesses or family obligations, there is a possibility that we will not have completed these efforts to comply with Order No. 1203 by the December 23, 1997 deadline. In order to assist the Commission and interested parties, the Postal Service will file whatever work it has completed on December 23, 1997, along with a status report explaining what, if anything, remains to be done and providing an estimated completion date.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


Susan M. Duchek

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.


Susan M. Duchek

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2990; Fax -5402
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